



Volume 15 No. 14, August 17, 2009

## **CHAIRMAN'S MESSAGE – BLAINE McLEOD**

With the 2008-09 Dairy Year in the rear view mirror, producers have now entered into a new era of quota management on the farm with the full implementation of continuous daily quota (CDQ) effective August 1<sup>st</sup>.

The introduction of CDQ both at the national level and producer level is a significant change for our province. This kind of change is never easy; producers must learn a new quota management system which changes the manner in which production is managed on the farm. I do believe, however, that this change is necessary and for the better.

Milk Control Board staff recently concluded a round of 22 CDQ producer training sessions across the province. Approximately 73% of producers opted to attend one of these 2 hour sessions to learn more about CDQ. I appreciate the effort that both staff and producers made to make these training sessions a great success.

The learning process for continuous daily quota does not end with these workshops; it will continue as we go through the highs and lows of the milk production cycle and as the policy is applied to individual production situations on the farm. Whether you were unable to attend a training session, or did attend but still have some questions, Board staff will continue to be available to assist producers as they implement CDQ on the farm. Producers may contact Deb Hauptstein at 787-6457 or Doug Miller at 787-9579.

Fall harvest and all the busyness that goes with that will soon be upon us. May I take the opportunity to remind everyone to stay safe and make sure that all of your family and staff do the same. Have a great and enjoyable harvest with plenty of good weather to accomplish all that needs to be done.

## **PRODUCER TRANSFER CREDIT LIST**

The Board will be maintaining a Producer Transfer Credit list to assist producers in transferring credits (in or out) with another producer.

Producers wanting to transfer credits (in or out) with another producer can contact the Board to have their name added to the Board's Producer Transfer Credit List.

This list is posted on the Board website and is also available by weekly email or upon request by fax, email, or regular mail. The Board will also enclose the list with the monthly newsletter.

The transfer credit list will be updated on a daily basis as requests come into the office. Posting will be dated and kept on the list for two months. It is up to the producer to contact the Board to repost their name after the two month period is up, or to have their name removed from the list if it is no longer required.

Producers may contact the Board at 787-5319 or 787-6457 for additional assistance.

### **QUOTA EXCHANGE**

The market-clearing price established for the August, 2009 Quota Exchange was **\$24,090.00**. The results of the Quota Exchange are outlined in the following Table.

The next Quota Exchange will be held on September 15, 2009. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the Board office by midnight, September 6, 2009. The Board recommends that offers and bids be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

Just a reminder to producers that when making bids on the Quota Exchange, the price on offers to sell quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Exchange.

Conversely, the price on offers to purchase quota is the maximum price that the producer is prepared to pay for that quota. **Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Exchange.** The clearing price is set at the price where the smallest difference exists between the accumulated volume offered for sale and the accumulated volume bid to purchase.

#### **QUOTA EXCHANGE (per kilogram of butterfat)**

<b>Market Clearing Price per kilogram of butterfat</b>	<b>\$24,090.00</b>
<b>Daily Kilograms offered to Purchase</b>	<b>81.37</b>
<b>Kilograms offered to Sell</b>	<b>56.92</b>
<b>Kilograms sold</b>	<b>29.99</b>
<b>Number of Producers</b>	
- offered to purchase	<b>12</b>
- purchased quota	<b>5</b>
- offered to sell	<b>3</b>
- sold quota	<b>1</b>

### QUOTA EXCHANGE

Price (\$/daily kg b.f.)	No. of Sellers	Cumulative Sellers	Daily Kgs b.f. offered for sale	Cumulative sales	Cumulative Sales less Cumulative purchases	Cumulative purchases	Daily Kgs b.f. offered to purchase	Cumulative Buyers	No. of buyers
17,520.00	0	0	0	0	-81.37	81.37	3.00	12	1
21,620.00	0	0	0	0	-78.37	78.37	7.00	11	1
22,305.00	0	0	0	0	-71.37	71.37	3.00	10	1
22,812.50	0	0	0	0	-68.37	68.37	10.96	9	1
23,500.00	0	0	0	0	-57.41	57.41	5.50	8	1
23,725.00	1	1	33.22	33.22	-18.69	51.91	21.92	7	2
<b>24,090.00</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>33.22</b>	<b>3.23</b>	<b>29.99</b>	<b>16.99</b>	<b>5</b>	<b>2</b>
24,500.00	0	1	0	33.22	20.22	13.00	7.00	3	1
25,220.00	0	1	0	33.22	27.22	6.00	4.00	2	1
27,375.00	1	2	13.70	46.92	44.92	2.00	0	1	0
28,000.00	0	2	0	46.92	44.92	2.00	2.00	1	1
28,470.00	1	3	10.00	56.92	56.92	0	0	0	0

#### How to Buy or Sell Daily Quota on the Exchange

With the change from annual quota to a daily quota, there are some changes to submitting bids on the Quota Exchange. There are two steps to convert your bid, whether buying or selling, from annual to daily quota.

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For the purposes of this example, an annual quota bid of 3,000 kgs of butterfat at \$60.00/kg will be converted to a daily quota bid.

**Step 1:** Convert annual kgs of butterfat to daily kgs of butterfat.

$$3,000 \text{ kgs} \div 365 = 8.22 \text{ kgs/day}$$

(Daily Quota is calculated up to 2 decimal places)

**Step 2:** Convert bid to dollars per kg per day

$$\$60 \times 365 = \$21,900.00$$

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Therefore, the bid, whether buying or selling would be:

- 8.22 kgs/day at the price of \$21,900

to obtain an equivalent bid of 3,000 kgs at \$60/kg under the annual quota policy.

The monetary value of this bid would be:

$$8.22 \text{ kgs/day} \times \$21,900/\text{kg} = \$180,018$$

**ACCOUNTING VALUES FOR CLASSES OF MILK August 2009**

	<b>Butterfat (\$/kg)</b>	<b>(\$ per hl. Skim milk)</b>	
Class 1a	\$5.3000	\$68.10	
Class 1b	\$5.3000	\$68.10	
Class 1c	<b>As approved by the Board</b>		
	<b>Butterfat (\$/kg)</b>	<b>Protein (\$/kg)</b>	<b>Other Solids (\$/kg)</b>
Class 2	\$7.5339	\$5.6447	\$5.6447
Class 3a	\$7.5339	\$13.1864	\$0.8940
Class 3b	\$7.5339	\$12.9337	\$0.8780
Class 4a, 4b, 4d & 4d(i)	\$7.5339	\$5.2463	\$5.2463
Class 4a(i)	\$7.5339	\$2.20	\$2.20
Class 4c	<b>As approved by the Board</b>		
Class 4m	\$0.00	\$0.00	\$0.00
Class 5a	\$3.1153	\$4.0561	\$0.1853
Class 5b	\$3.1153	\$1.6677	\$1.6677
Class 5c	\$3.0000	\$1.5875	\$1.5875
Class 5d	<b>As determined by</b>	<b>the CDC</b>	

**WEIGHTED AVERAGE COMPONENT TESTS & PRICES July 2009**

<b>Components</b>	<b>Average Test</b>	<b>Price per kilogram Class 1 to 5</b>
Butterfat	3.6804	\$9.815507
Protein	3.2500	\$6.815507
Other Solids	5.6645	\$0.977606

Based on the average component tests for the province, the average price received was \$63.8136 per hectolitre. **The average butterfat price received per kilogram was \$17.34.**

Over quota (4m) holdings are \$1,377,785.07 for the twelve months of the 2008-2009 dairy year.

**SASKATCHEWAN MILK POOL RESULTS July 2009**

Milk Sale Revenue	\$ 13,512,609.05
Over Quota Penalty	\$ - 671,000.00
Western Milk Pool	\$ -515,630.26
Special Class Advance – CDC	\$ 127,347.31
Dairy Farmers of Canada Skim Off	\$ -19,037.12
Plant of Last Resort Service	\$ -57,508.00
<b>Total Pool Value</b>	<b>\$ 12,376,780.98</b>

As shown in the table below, the Total Pool Value has decreased relative to last month's pool.

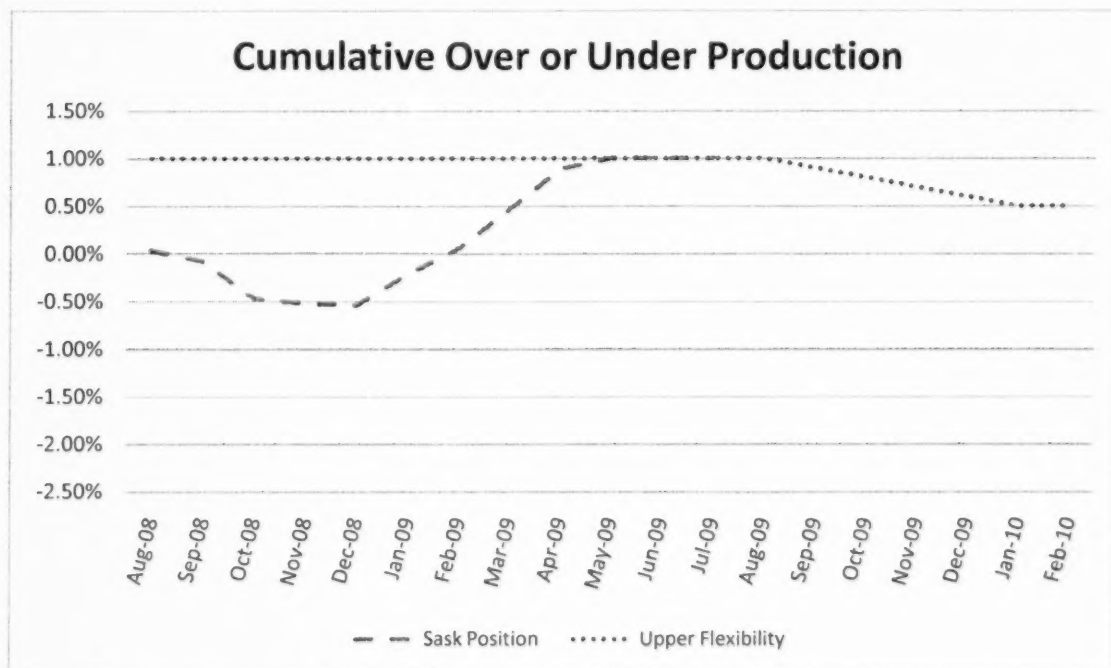
<b>Milk Pool Results</b>	<b>June 2009</b>	<b>July 2009</b>	<b>Difference</b>
Milk Sale Revenue	\$ 14,985,003.70	\$ 13,512,609.05	(\$ 1,472,394.65)
Over Quota Penalty	(\$ 658,272.00)	(\$ 671,000.00)	(\$ 12,728.00)
Western Milk Pool	\$ 114,586.06	(\$ 515,630.26)	(\$ 630,216.32)
Special Class Advance from CDC	---	\$ 127,347.31	\$ 127,347.31
DFC Skim Off	(\$ 19,037.12)	(\$ 19,037.12)	---
Plant of Last Resort	(\$ 57,998.63)	(\$ 57,508.00)	\$ 490.63
<b>Total Pool Value</b>	<b>\$ 14,364,282.01</b>	<b>\$ 12,376,780.98</b>	<b>(\$ 1,987,501.03)</b>

This has occurred for two reasons:

1. The value received for the components shipped is down almost \$1.5 million, even though the components shipped were roughly the same. This is due to higher than normal special class utilization at the processing level. The Board does not have any authority to influence class utilization at the processor level. Canadian Dairy Commission Special Class Permits expire at the end of July each year; therefore any unfilled portion of those contracts would be filled during the month of July prior to the contract expiry date.
2. There is a payment of about \$0.5 million into the Western Milk Pool, vs. receiving about \$100,000 in June. This is primarily due to low special class utilization in the month of June, therefore pooling requires a transfer out of dollars this month.

As a result, the Total Pool Value is down \$1.99 million relative to the month of June.

The over quota penalty is also a factor in the lower total pool value by \$671,000 (approximately \$0.94/kg of butterfat).



## **PENALTY FOR OVER PRODUCTION**

In July 2009, Saskatchewan over produced its cumulative quota position by approximately 3,900 kilograms of butterfat. This will have an impact on producers' August 2009 blend price that they will receive on September 15, 2009. The total dollar impact will be unknown to the Board until the Canadian Dairy Commission completes pooling calculations for July 2009. That calculation will be completed by August 27<sup>th</sup> 2009. There will be a separate line included in the Saskatchewan Milk Pool Results table listed as Over Quota Penalty.

## **TEMPORARY QUOTA**

As of August 1<sup>st</sup> there is no temporary quota has been issued to producers. Any temporary quota that was issued during the previous dairy year had an end date of July 31.

As per the Canadian Milk Supply Management Committee decision, the National Growth Allowance (line 4 on your Quota Management Sheet) has not been continued.

The Provincial carry-forward (line 5 on your Quota Management Sheet) has been eliminated effective August 1, 2009. Under the old National Quota Policy, a province could carry forward any under production between 99.5% and 100%. Under Continuous Quota, this type of carry-forward does not occur.

## **QUOTA MANAGEMENT RESULTS**

Please find enclosed your quota management results for July, 2009. This Table indicates the percentage of each producer's quota allocation utilized as well as the kilograms of butterfat produced by these shipments.

**There are lines numbered 1 through 11 on the top portion of your quota management sheet which show adjustments to your quota for the 2008-2009 dairy year. Enclosed with your quota management sheet is an explanation of how these adjustments will affect what you are required to produce for mid-year (January 31<sup>st</sup>) and year-end (July 31<sup>st</sup>) to achieve 97%. If you have any questions, please contact our office.**



In July, Saskatchewan had a monthly CDC allocation of **708,259 kilograms** of butterfat. For July, Saskatchewan is **+3,900 kilograms** of butterfat over, and cumulatively over by **+86,879 kilograms** of butterfat. On a percentage basis, Saskatchewan is at **+1.00%** within our CDC allocation flexibility limits based on the Continuous Quota model.

For the 2008-09 dairy year, Saskatchewan produced **101.68%** of its allocation from August 1, 2008 to July 31, 2009.

	(1) Monthly Total Production  Kgs bf	(2) Total Monthly CDC Quota Allocation  Kgs bf	(3) Monthly Over or (Under) Production  Kgs bf  col. 1 - 2 = 3	(4) Lower Flexibility Limit (1.5%)  Kgs bf  col. 9 * -1.5%	(5) Upper Flexibility Limit 1.0%  Kgs bf  col. 9 * 1.0%	(6) Cumulative Over or (Under) Production with limits  Kgs bf	(7) Cumulative Over or (Under) Production with limits  in %  col. 6 / 9	(8) Over Quota or (Lost Production Opportunity)  Kgs bf	(9) Rolling 12 Month Total Quota  Kgs bf
<b>Aug-08</b>	714,566	711,593	2,973	(130,546)	87,031	<b>2,973</b>	<b>0.03%</b>	-	8,703,089
<b>Sep-08</b>	702,656	712,733	(10,077)	(130,901)	87,268	<b>(7,104)</b>	<b>(0.08%)</b>	-	8,726,753
<b>Oct-08</b>	731,710	765,418	(33,708)	(130,809)	87,206	<b>(40,813)</b>	<b>(0.47%)</b>	-	8,720,620
<b>Nov-08</b>	725,592	730,199	(4,607)	(130,756)	87,171	<b>(45,419)</b>	<b>(0.52%)</b>	-	8,717,063
<b>Dec-08</b>	768,375	770,027	(1,651)	(130,900)	87,267	<b>(47,071)</b>	<b>(0.54%)</b>	-	8,726,661
<b>Jan-09</b>	776,069	747,647	28,422	(130,950)	87,300	<b>(18,648)</b>	<b>(0.21%)</b>	-	8,729,971
<b>Feb-09</b>	696,788	673,298	23,491	(130,537)	87,025	<b>4,842</b>	<b>0.06%</b>	-	8,702,483
<b>Mar-09</b>	780,327	744,392	35,935	(130,534)	87,022	<b>40,777</b>	<b>0.47%</b>	-	8,702,246
<b>Apr-09</b>	743,837	707,299	36,538	(130,272)	86,848	<b>77,315</b>	<b>0.89%</b>	-	8,684,788
<b>May-09</b>	764,294	733,212	31,082	(130,197)	86,798	<b>86,798</b>	<b>1.00%</b>	21,599	8,679,813
<b>Jun-09</b>	717,102	725,295	25,402	(130,214)	86,809	<b>86,809</b>	<b>1.00%</b>	25,392	8,680,906
<b>Jul-09</b>	712,229	708,259	3,970	(130,318)	86,879	<b>86,879</b>	<b>1.00%</b>	3,900	8,687,871

(1) Monthly Production in Saskatchewan

(2) Total Monthly Quota = Class 1 sales + Monthly MSQ + Carry Forward

(3) Difference between the monthly production (1) and the total monthly quota (2)

(4) The Lower Flexibility Limit is -1.5% of Rolling 12 Month Total Quota (9)

(5) The Upper Flexibility Limit is 1.0% of Rolling 12 Month Total Quota (9)

(6) Previous Month Cumulative Over or (Under) Production + Current Monthly Over or (Under) Production (capped at lower or upper limit if applicable)

(7) Equal to Column (6) expressed as a percentage basis within the flexibility limits

(8) Over Quota or (Lost production opportunity) outside of flexibility limits

(9) Total Monthly CDC Quota Allocation for the previous 12 months

## **QUOTA LISTING SERVICE**

The Board offers a free quota listing service as part of its Newsletter. Anyone wishing to sell or purchase quota and/or cows or miscellaneous dairy equipment is welcome to contact the Board office at (306) 787-5319. All prices and negotiations will be independent of the Milk Control Board.

### **Wanted – Quota to Purchase**

- Wanted – quota to purchase (quota only) – approximately 10,000 kilograms.  
Contact Henry Klop (306) 493-2273

### **Quota &/or Cows for Sale**

- For sale: Dairy farm 20 minutes from Saskatoon. Approximately 10,600 kilograms quota (selling with or without farm); 72 cows and heifers; 160 acres, excellent water; 48' x 125' free stall barn; 48 free stalls with pasture Mat's; Houle cable barn cleaner and manure pump; Westfalia Single 8 Magnum Parlour. Phone (306) 280-6408.
- Two breeding age bulls for sale. Contact Ernest Friesen at (306) 931-1947 or (306) 260-9480.
- For sale – 10 milk cows. Phone Chad (306) 598-2054
- For sale – 14 heifers and 3 cows. Phone Fred or Anne Monchuk (306) 365-4750
- Quota for sale. Approximately 32,000 kilograms. Contact Dan Hazell @ Glenacre Holsteins. Phone (306) 224-4850. Fax (306) 224-4909.
- Cows and quota (approximately 40,000 kilograms). Please contact Ken Schmidt @ (306) 374-8980
- Bred heifers for sale – contact Danny at Box Elder Colony – (403) 502-9997
- For sale: 8 registered Holstein heifers due September – December  
For sale: 1 registered Holstein bull, 20 months old. Sire – Regancrest Dundee  
Dam is a Comestar Stormatic with 246-230-235 BCA  
Contact Lloyd Sawatsky (306) 239-4818

### **Miscellaneous For Sale**

- Like new Knight Reel – Auggie 3250 Stationary Feed Mixer with 15' Conveyer & Electronic Scale – Phone (306) 280-6408
- 4 Westfalia Surge Feed Stations. Contact Jason @ 689-2230/689-2231 ext. 713
- Dairy Quality Hay 4 Sale – delivered. Contact Dale @ (204) 638-5581. Dauphin, Manitoba.



- 63 Ortex Freestall Dividers (used 4 years); 3-40 ft. Choretime Flex Augers (1 H.P. motor and drive); 150 ft. of 18" 2 x 4 Gutter Grates. Contact Prairie Diamond Farm..Dale (306) 771-4186 or Harley or (306) 771-2940.
- JCB Telehandler. Contact Jason @ (306) 229-8993
- 2000 U.S. Gallon Alfa-Laval Milk Tank with cooling condensers and compressors. Contact Ferch Farms (306) 736-2205.
- One 14' Richardson Jiffy Hy-dump silage wagon. Contact Bob or Kim McCubbing, Unity, Sask. Phone (306) 228-2921 or cell (306) 228-8598.
- Dairy Equipment for Sale: 1 18" x 10' belt conveyor; 6 Waikato milk meters; 6 Delaval milk machines with vacuum pulsators; Delaval vacuum pump with 7.5 hp motor. Contact Lloyd Sawatzky, Saskatoon, SK Phone (306) 239-4818. Cell (306) 281-2247.
- Agri-Metal 542 feedcart; Renn 10hp Roller mill; Conveyors, 2-14 ft x 18 inch, 1-42 ft x 18 inch; 2 - 6 inch electric augers, 10 & 14ft; Harvestore, Goliath and Hercules unloaders; Mueller 1000 gallon milk tank; Alamo 100 vacuum pump; Surge Eclipse milking units and retractors. Contact: Leonard Blocka (306) 764-8439 or cell (306) 960-6608.
- 16 Waikato milk meters \$250 each; 5,000 gallon new Delaval bulk tank, made in U.S.A. \$50,000. Contact Corman Holsteins (306) 933-4608
- 2002 Tubeline Bale Wrapper and a dismantled 25/90 Harvestorg Silo. Call David Slykhuis @ (306) 453-2878 in Carlyle, SK
- 2000 gallon Delaval tank. Call James Hein (306) 365-3209

### **Wanted to Buy**

- Used Ration Master II Processor (used for feed stations)  
Contact Margaret at (306) 782-7240.

### **Hired Man - available October 1, 2009**

Tim Blocka, R.R. #3, Prince Albert, SK S6V 5R1

- Fifteen years experience including 10 years at Blocka Bros. Dairy, 1 year on the rigs, 4 years on two other dairy farms.
- Has papers as an AI technician, milking cows and all duties associated with the dairy barn.
- Can run any dairy and haying, silage equipment also.
- Very reliable...would prefer to work around the Saskatoon/Hague area if possible.
- Single, 31 in August, own vehicle.
- Contact Leonard (306) 764-8439 or Tim's cell (306) 981-5974.

### Continuous Quota FAQs

Following the round of Continuous Daily Quota Seminars, a list has been compiled of the questions most frequently asked by producers.

### New FAQ's

*What happens to my negative credits that I have accumulated if I exit the industry (sell out)?  
What if I stop shipping milk before the quota transfer date?*

When selling out, your daily quota (TPQ) is transferred to the purchasing producer using the Quota Transfer Form. Accumulated negative transfer credits are transferred using the Transfer Credit Form and may or may not be transferred to the producer purchasing your daily quota depending on the deal that you have struck. The Board will calculate the final available negative credits accumulated.

Should a producer cease shipments at least one full calendar month prior to the quota transfer date, that producer may transfer 95% of the estimated negative transfer credits that would accumulate in the month that no milk was shipped for an effective date of the first of the same month. The final available negative credits, the remaining 5%, that would have accumulated prior to the transfer date will be calculated by the Board and be available for transfer.

For example, if a producer ceases shipping milk on August 31<sup>st</sup> with an effective sale date of October 1<sup>st</sup>, 95% of the estimated negative credits that will be accumulated in the month of September may be transferred for a September 1<sup>st</sup> effective date. In early October, the Board will calculate the final negative credit total and those negative credits may be transferred to another producer at that time.

### Previous FAQ's

*If I ship less than 100 % of my quota as of July 31, 2009, will I start in a negative credit position August 1, 2009?*

No, producers shipping 100% or less as of July 31, 2009, will start at zero credits August 1, 2009. This would be the case whether Saskatchewan moved to Continuous Daily Quota or not.

*If I ship greater than 100 % of my quota as of July 31, 2009 how will I start August 1, 2009?*

Saskatchewan will be in a prefill position as of August 1, 2009. Producers shipping greater than 100 % of their quota as of July 31, 2009 will be in prefill and will start with positive kgs of butterfat credits or positive credit days equivalent to their pro-rata portion of the over quota. This would be the case whether Saskatchewan moved to Continuous Daily Quota or not.

*If I am in prefill August 1, 2009 how can I get my 4M dollars back?*

The following condition must be met to get back the 4M dollars held by the Board:

**When July 31, 2010 production is reconciled, a producer must be at or below zero cumulative kgs of bfat.** If a producer is still at positive credits or positive credit days, **no 4M dollars will be refunded.** These dollars will be added into the September, 2010 month-end pool and paid out October 15, 2010. All producers will share in these dollars.

It does not matter if a producer is at or below zero kgs of butterfat during any of the months throughout the year. **The day of reconciliation is based on August 1, 2009 to July 31, 2010 production.**

If Saskatchewan had been in a prefill situation before the change to Continuous Daily Quota this would also have been the case.

***What can I do to get down to zero positive credits or credit days?***

Producers have a number of options they can use to get their quota position back in line. They can transfer in credits, buy quota, decrease the number of cows being milked, etc.

***What happens to my 4M dollars if I leave the industry before July 31, 2010?***

If a producer who is in prefill leaves the industry before July 31, 2010, **they will forfeit all 4M dollars held by the Board.** The 4M dollars will go into the September 2010 month-end pool and all producers will share in those dollars.

***The 4M Dollars held by the Board will only be refunded back to producers in prefill who meet the zero or less cumulative position for the July 31, 2010 reconciliation.***

***What happens if I start August 1, 2009 with at or greater than +10 days?***

A producer starting in prefill at or greater than +10 days will only receive payment for their in-quota production.

For example: 100 kgs of bfat is the producers' daily quota. The pickups are based on 30 days, so the producers' in-quota monthly allocation is 3,000 kgs of butterfat. The producer ships 3,500 kgs of butterfat. The producer will receive payment for 3,000 kgs of butterfat and 500 kgs of butterfat will be over quota (over the +10 day limit). There is no 4M as of August 1, 2009. The value of that milk will be put back into the month-end pool and all producers will receive a higher blend price.

The producer will never have the ability to recoup that over quota production and all deductions for the over quota milk will be applied MCB fees, DFS levy, and haulage.

Any producer whether in prefill or not that exceeds the +10 credit days will receive **ZERO PAYMENT** and all deductions for the over quota milk will be applied, MCB fees, DFS levy and haulage.

***What happens if I start August 1, 2009 with some prefill days but not exceeding the +10 day limit?***

A producer starting August 1, 2009 with some prefill days but not exceeding the +10 day limit still has flexibility before they are over quota.

For example: A producer starting in prefill at +7 days has 3 days flexibility before they are over quota. If 100 kgs of butterfat is your daily quota, and your pickups are based on 30 days, then your in-quota monthly allocation is 3,000 kgs of butterfat. If you ship 3,200 kgs of butterfat, you will receive payment for 3,000 kgs of butterfat based on in-quota, 200 kgs of butterfat will also receive full payment because 3 days or 300 kgs of butterfat of flexibility still exists. You would have 1 credit day remaining or put another way you would be at +9 credit days.

***When can I get transfer credits?***

There will be no transfer credits available in August 2009, because no producer will have accumulated any. The earliest a producer will be able to find credits will be September 2009.

***What is the deadline for transfer credits?***

The transfer credit deadline for any month is by midnight of the 20<sup>th</sup>. For example any transfer credit forms in the Board Office on or before midnight of October 20<sup>th</sup> will be effective October 1<sup>st</sup>.

***Where can I find producers wanting to transfer credits?***

The Board will maintain a web page with producers wanting to transfer credits in or out. It will be updated on a daily basis as requests come into the office. Producers who do not have internet access can call the Board and have the information faxed to them.

Producers wanting their name posted on the web page can contact the Board. Postings will be dated and kept on the website for 2 months. It is up to the producer to have their name reposted after the 2 months or removed if they fill their requirement before the 2 month period is up.

***What is the maximum amount of transfer credits that I can transfer out in a month?***

The maximum transfer credits a producer can transfer out in a month are equal to what the producer's cumulative under position was in the previous month. You can only transfer out to a cumulative position of zero credits.

The maximum a producer can transfer out in a rolling 12 month period is 15%.

***What is the maximum amount of transfer credits that I can transfer in?***

There is no limit to the amount of credits that can be transferred in a rolling 12 month period. The only limit when transferring in credits would be to not drop below the -30 credit day limit at the end of each month or you will have lost the opportunity to carry-forward those credits to produce that milk in the future.

***When will we know if Incentive Day Credits are available?***

The Board will do its best to give producers as much notice as possible when incentive day credits are going to be available.

***If the province is over quota as of July 31, 2010 will I still get all my 4M dollars back if I am at zero credits or credit days?***

Yes.

**MILK CONTROL BOARD MEMBERS**

Blaine McLeod - Chairman	Dairy Producer - (306) 756-2775
Dale Strudwick – Vice-Chair	Dairy producer - (306) 771-4186
Alvin Schultz - member	Dairy producer - (306) 254-4301
Dr. Bob Tyler - member	Professor - Dept. of Food & Bioproduct Sciences, University of Saskatchewan, Saskatoon

For further information, please contact the Saskatchewan Milk Control Board office.

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